CPS/CPN/ks

Director of Central Intelligence

7/31 Chief, Central Flanning Staff

SUBJECT: Projects in the Field of Economic Intelligence

1. About four months ago, three related projects were referred to the Director of Gentral Intelligence for CIG study and appropriate action. A summary of these projects, with action taken thereon, is as follows:

25X1X Program: A memorandum on this subject, dated 7 November 1945, from Brig. General was furnished the Secretary, NIA, who in 25X1A March of 1946 referred it to the Central Planning Staff for action. The memorandum enclosed a study then before the Army-Navy Munitions Board, revealing clearly the need 25X1X for coordinated action to collect, analyze and present in useful form data on the The matter was discussed with the Industrial College 25X1X of the Armed Services, the Army-Navy Munitions Board, and the Joint Logistics Plans Committee of the Joint Logistics Committee. It was agreed that the Joint Logistics Committee would officially request CIG to provide for the development of intelligence relating to and that the data developed would be 25X1X furnished the Industrial College for use in its analyses. It is expected that this

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request will be forwarded to CIG in the near future. Meanwhile, further action has been taken as outlined in paragraph 2, below.

- b. Foreign Petroleum Developments:

 A memorandum of 2 April 1946 from Mr. McCormack to the Director of Central Intelligence recommended that NIA initiate an interdepartmental program to produce intelligence on foreign petroleum developments. This project was discussed with the State Department, and further action has been taken as outlined in para. 2, below.
- A memorandum of 14 March 1946 from Mr. to the Director of Central Intelligence recommended that NIA initiate an interdepartmental program to produce intelligence on foreign industrial developments. This project was discussed at a meeting sponsored by CIG and attended by representatives from State, Army, Navy, Air and Commerce. As a result of this meeting the Intelligence and Information Branches, CPS, prepared a proposed memorandum recommending that an inter-agency committee be established to: (a) Evolve a plan whereby the resources available to the Government would be pooled and coordinated to produce complete intelligence on foreign industrial establishments; (b) Submit such plan to the Director of Central Intelligence; and (c) Become responsible for the execution and maintenance of the plan, upon its approval. However, the memorandum was not forwarded since a more comprehensive action was taken, as outlined in paragraph 2, below.
- 2. All three of the above projects were recognized as subsidiary to the broader project of coordinating intelligence activities relating to economic intelligence; and this in turn was recognized as a single subsidiary phase of the overall coordinating program then under development. Therefore, two proposed actions leading to the coordination of economic intelligence activities were included in the program submitted to the Director. The dates and subjects of these two actions were as follows:
- a. 22 July, subject: Inter-Agency Committee for the Coordination of the Collection of Economic Intelligence Information.
- b. 23 July, subject: Inter-Agency Committee for the Coordination of Economic Intelligence Research.
- 3. It is recommended that the foregoing summary be referred to the Interdepartmental Coordinating and Planning Staff for its information and guidance, and for such further action as the Director may desire.

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Acting Chief. Central Planning Staff